

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

VALVE CORPORATION

Petitioner,

V.

624 INDIVIDUAL CLAIMANTS.

Respondents

No.

**DECLARATION OF SCOTT LYNCH
IN SUPPORT OF PETITION TO
ENJOIN ARBITRATIONS**

DECLARATION OF SCOTT LYNCH

I, Scott Lynch, declare as follows:

1. I am the Chief Operating Officer for Petitioner Valve Corporation (“Valve”) in the above-captioned matter. I submit this declaration in support of Valve’s Petition to Enjoin Arbitrations (“Petition”). I make this declaration based on my personal knowledge and, if called upon to do so, would testify competently hereto.

A. Valve, Steam, and the SSA

2. Valve is a video game developer, publisher, and digital distribution company. Valve offers an online platform called Steam, where consumers can purchase, play, discuss, and interact with their friends about video games.

3. For an individual to create a Steam account and become a Steam user, he or she must first agree to a Steam Subscriber Agreement (“SSA”).

4. In 2012, Valve added to the SSA an arbitration agreement providing that, with limited exceptions, users and Valve “agree to resolve all disputes and claims between us in individual binding arbitration” with the AAA (the “Superseded SSA”). The most recent version of the SSA containing that arbitration agreement went into effect on April 25, 2023 (“the Superseded SSA”). A true and correct copy of the Superseded SSA is attached hereto as Exhibit A.

B. Valve Replaces the Superseded SSA with the Current SSA

5. On September 26, 2024, Valve removed the arbitration agreement and class action waiver from the SSA. A true and correct copy of the current version of the SSA without an arbitration agreement or a class action waiver (the “Current SSA”) is attached hereto as Exhibit B. It is also available at https://store.steampowered.com/subscriber_agreement/.

6. When Valve launched the Current SSA, Valve inserted a prominent banner at the top of the agreement. The banner is set forth below.



STEAM®

STORE COMMUNITY ABOUT SUPPORT

Install Steam Login 1 language

Valve has updated the Steam Subscriber Agreement. The updates affect your legal rights, including how disputes and claims between you and Valve are resolved. Among other things, the new dispute resolution provisions in Section 10 require that all disputes and claims proceed in court and not in arbitration. Please review carefully.

Home

Steam Subscriber Agreement

7. The Current SSA has been continuously posted online on a public website since
9 September 26, 2024, in ten languages, with the prominent header calling out the changes. *See*
10 https://store.steampowered.com/subscriber_agreement/

12 8. Valve also provided notice of the change to the SSA to Steam users in three other
13 ways.

14 9. First, beginning on September 26, 2024, Valve provided the below email notice to
15 all U.S. Steam users (including all Respondents) of the change to the SSA (the “Email Notice”),
16 sending the notice to the email address of record for their Steam accounts. The Email Notice
17 specifically called out changes to the dispute resolution provision:



Hello

We have updated the Steam Subscriber Agreement

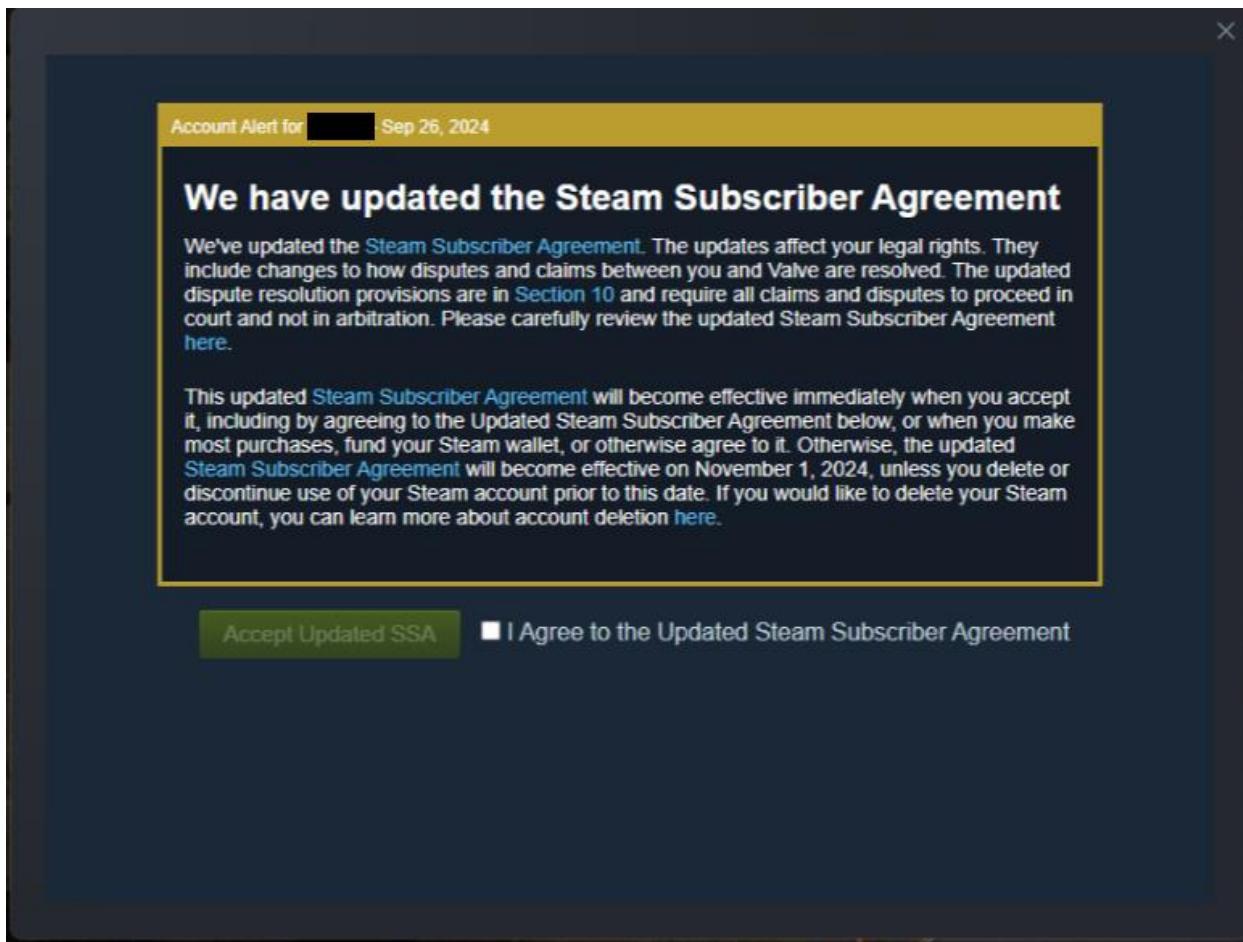
We've updated the [Steam Subscriber Agreement](#). The updates affect your legal rights. They include changes to how disputes and claims between you and Valve are resolved. The updated dispute resolution provisions are in [Section 10](#) and require all claims and disputes to proceed in court and not in arbitration. We've also removed the class action waiver and cost and fee-shifting provisions. Please carefully review the updated Steam Subscriber Agreement [here](#).

This updated [Steam Subscriber Agreement](#) will become effective immediately when you agree to it, including when you make most purchases, fund your Steam wallet, or otherwise accept it. Otherwise, the updated [Steam Subscriber Agreement](#) will become effective on November 1, 2024, unless you delete or discontinue use of your Steam account before then. If you would like to delete your Steam account, you can learn more about account deletion [here](#).

This notification has been sent to the email address associated with your Steam account.

1 10. The Email Notice included multiple links to the full text of the Current SSA, shown
2 in blue text above.

3 11. Second, beginning on September 26, 2024, Valve provided notice of the new
4 agreement through the below pop-up that appeared on the Steam client (the “Pop-Up Notice”).
5 The Pop-Up Notice provided:



12 12. In addition to calling out the changes to the dispute resolution provision, the Pop-
13 Up Notice included multiple links to the full text of the Current SSA, shown in blue text above.

14 13. The Pop-Up Notice enabled users to agree to the Current SSA by checking a box
15 stating: “I Agree to the Updated Steam Subscriber Agreement” then clicking “Accept Updated
16 SSA.”

1 14. Alternatively, users could close the Pop-Up Notice without agreeing to the Current
2 SSA, as indicated by the “X” at the top right corner of the pop-up.

3 15. Third, beginning on September 26, 2024, Valve published the below blog post on
4 the Steam platform providing notice of the change to the SSA, available at
5 <https://store.steampowered.com/news/app/593110/view/4696781406111167991> (the “Blog
6 Post”). The Blog Post provided:

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8 NEWS POSTED Thu, September 26

9 The Updated Steam Subscriber Agreement

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11 We'd like to share some information about recent updates to the Steam Subscriber Agreement (SSA), which mainly relate to how any disputes between Valve and Steam users are resolved.

12 We've eliminated the requirement that disputes be resolved by individual arbitration. As always, we encourage you to contact Steam Support when you have any issues, as that will nearly always be the best way to reach a solution. But if that doesn't work, the updated SSA now provides that any disputes are to go forward in court instead of arbitration. We've also removed the class action waiver, as well as the cost and fee-shifting provisions, that were in prior versions of the SSA.

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14 For many of our customers (including the ones living in the EU and UK, Australia, New Zealand, and Quebec), these updates have limited impact as the arbitration rules did not apply to them even before the update.

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16 This is just an overview and we encourage you to review the entire updated SSA. You can review it [here](#).

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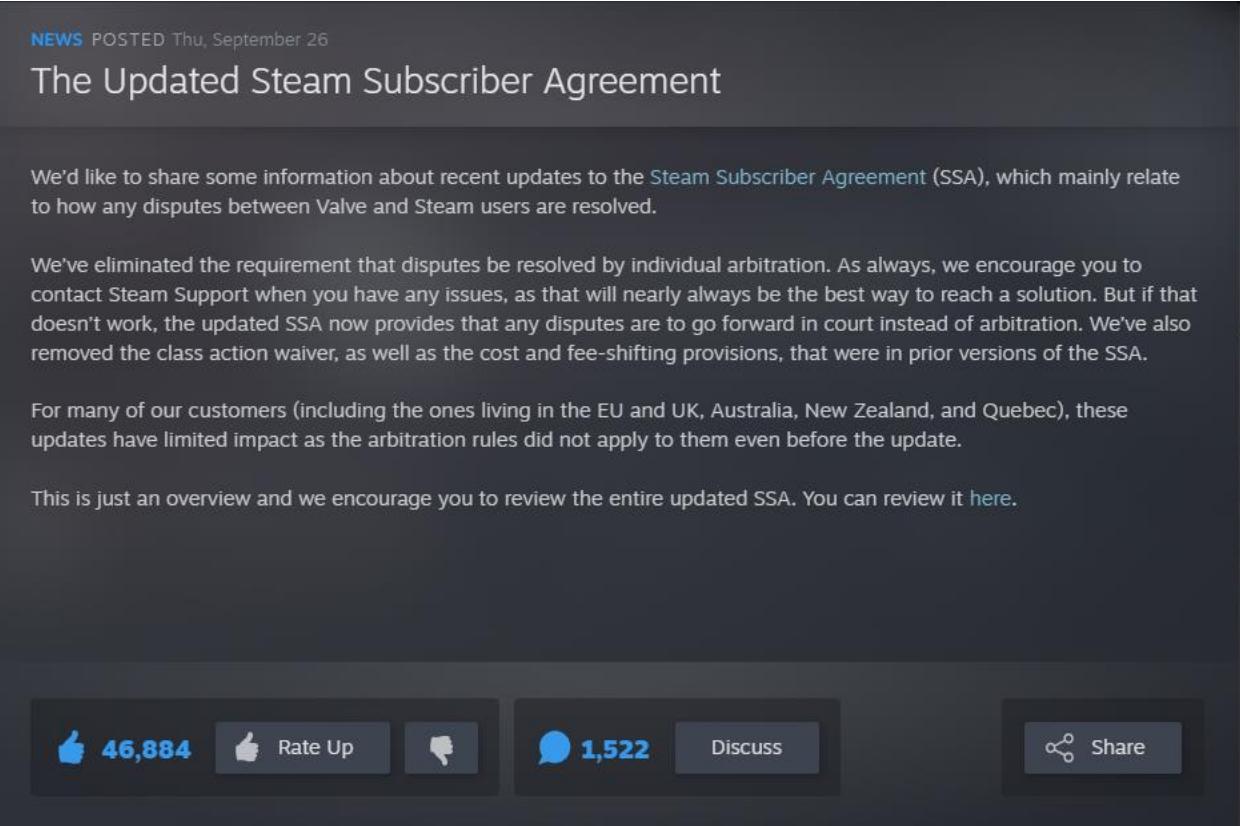
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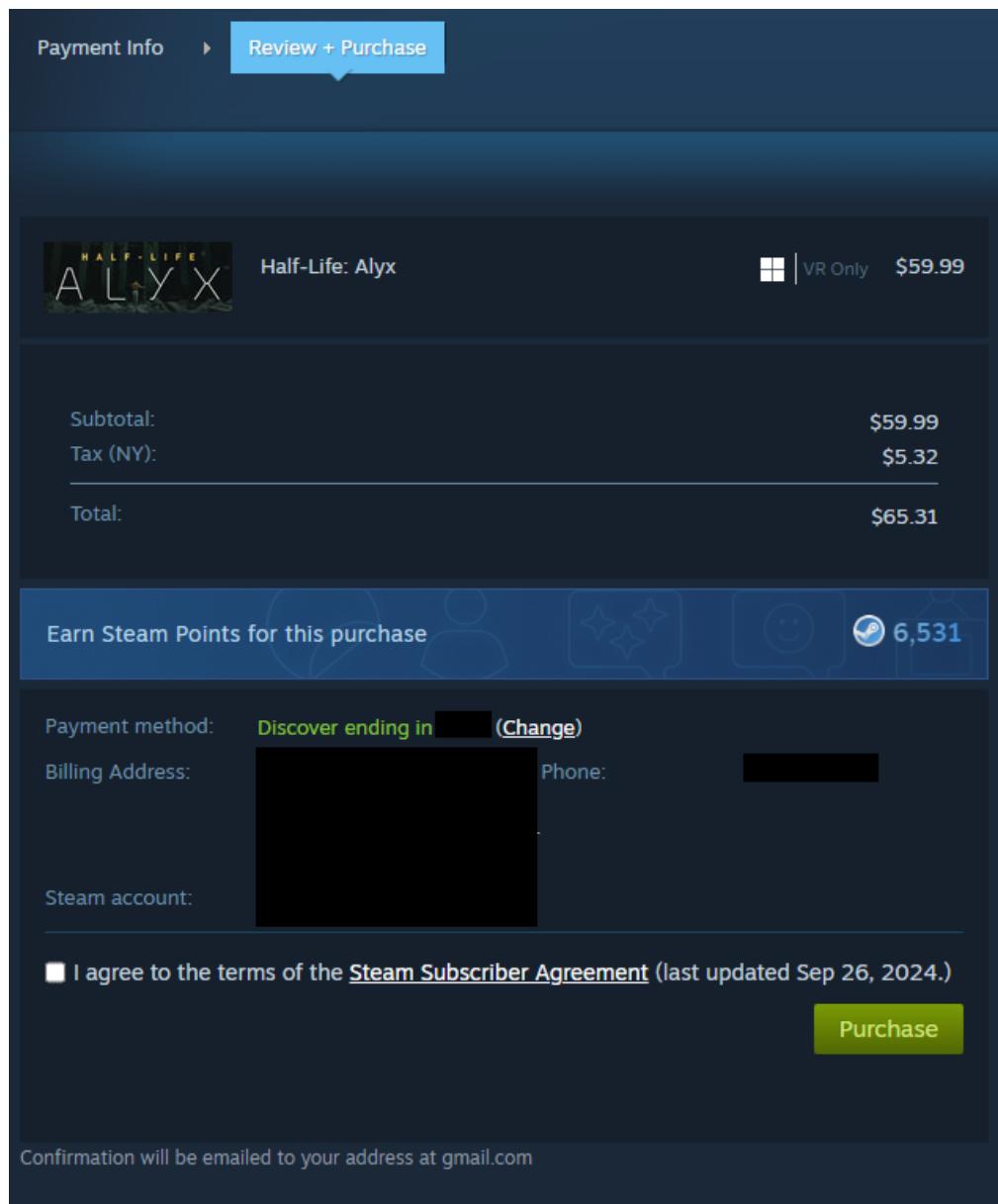
The image is a screenshot of a blog post titled "The Updated Steam Subscriber Agreement" on the Steam website. The post is dated Thursday, September 26. It discusses recent updates to the Steam Subscriber Agreement (SSA), specifically the removal of individual arbitration and the addition of class action waivers. The post includes a summary, a link to the full SSA, and social sharing options (likes, comments, and share buttons).

16. The Blog Post included multiple links to the full text of the Current SSA, shown in
17 blue text above.

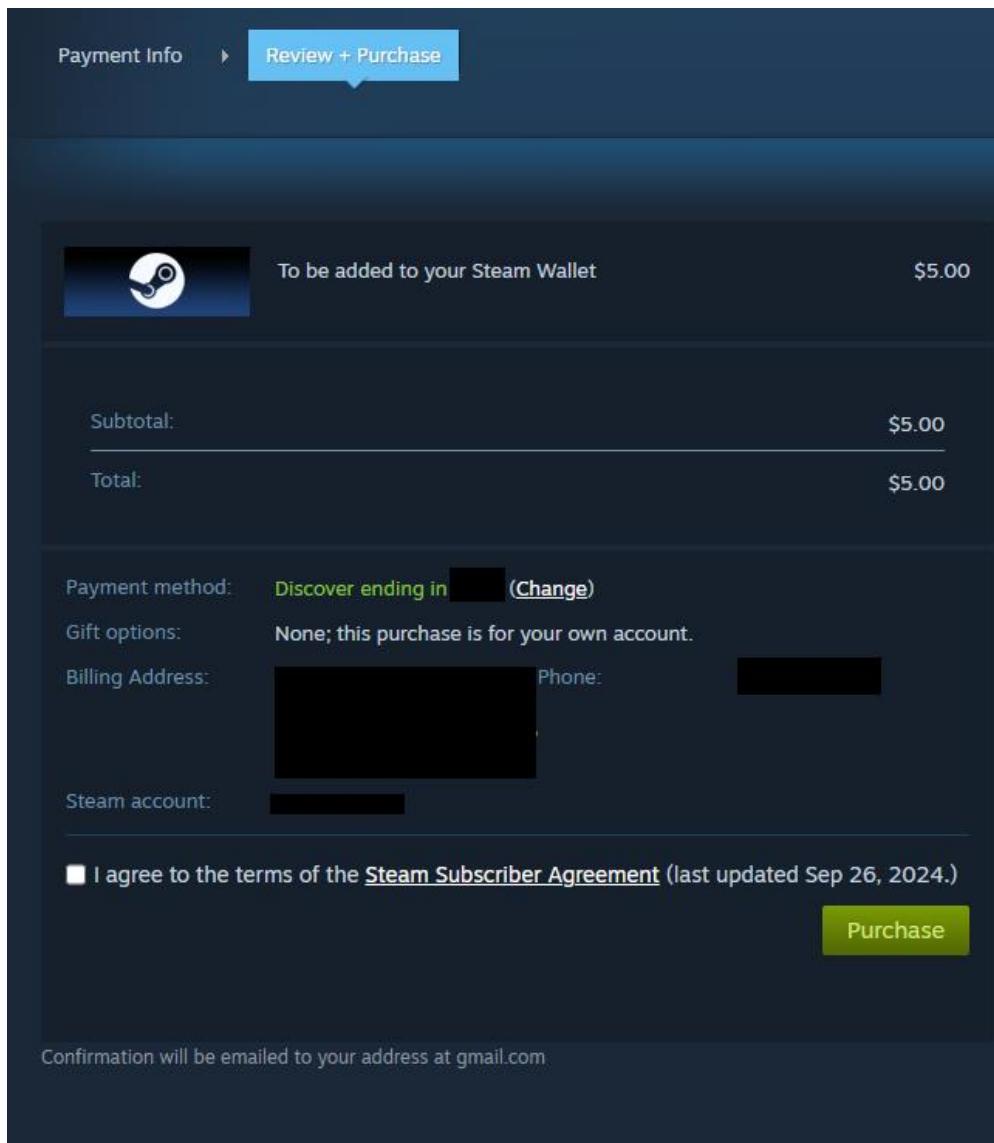
18. A “Steam wallet” contains funds that may be used for the purchase of any game on
19 Steam or within a game that supports Steam transactions.

20. Users must accept the Current SSA every time they buy a game on Steam or fund
21 their Steam wallet on or after September 26, 2024.

1 19. Consistent with the Email Notice and Pop-Up Notice, when a user purchases a
2 game on Steam, the user is presented with an unchecked box requiring the user to accept the
3 Current SSA, which is hyperlinked in white text to the words “Steam Subscriber Agreement”
4 shown below:



1 20. Consistent with the Email Notice and Pop-Up Notice, when a user funds their
2 Steam wallet, the user is presented with an unchecked box requiring the user to accept the Current
3 SSA, which is hyperlinked in white text to the words “Steam Subscriber Agreement” shown below:



C. Valve Sent All Respondents Notice of the SSA Update

21. Between September 26, 2024, and September 27, 2024, Valve sent the Email Notice to every Respondent providing notice of the new SSA.

D. At Least 461 Respondents Have Affirmatively Agreed to the Current SSA

22. Based on a review of Valve's records, at least 461 of the 624 Respondents have affirmatively accepted the Current SSA by (i) checking the check box affirming "I Agree to the Updated Steam Subscriber Agreement" and clicking "Accept Updated SSA" through the Pop-Up Notice, (ii) making a purchase and agreeing to the Current SSA by checking "I agree to the terms of the Steam Subscriber Agreement (last updated Sep 26, 2024) and clicking the "Purchase" button, or (iii) some combination of options (i) and (ii).

23. At least 422 Respondents have affirmatively accepted the Current SSA by checking the box affirming, “I Agree to the Updated Steam Subscriber Agreement” and clicking “Accept Updated SSA” through the Pop-Up Notice.

24. At least 39 Respondents have affirmatively accepted the Current SSA by making a purchase and agreeing to the Current SSA by checking, “I agree to the terms of the Steam Subscriber Agreement (last updated Sep 26, 2024).”

25. A true and correct copy of a chart identifying the Respondents who have accepted the Current SSA and the method(s) by which they accepted the Current SSA is attached hereto as Exhibit C.

E. The Remaining 163 Respondents Will Be Bound By the Current SSA by November 1, 2024

26. The remaining 163 Respondents will be bound by the Current SSA pursuant to the terms of the Email Notice and Pop-Up Notice by November 1, 2024, unless they delete or discontinue use of their Steam account.

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DECLARATION OF SCOTT LYNCH - 9

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Seattle, Washington 98104-1001
Tel (206) 625-8600
Fax (206) 625-0900

1 27. As of Tuesday, October 15, 2024, no Respondent has deleted or requested to delete
2 his or her Steam account.

3 I declare under penalty of perjury that the foregoing is true and correct.

4 DATED this 18th day of October, 2024 at Bellevue, WA 98004.

DocuSigned by:
Scott Lynch
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Scott Lynch

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